

Tax Increment Financing (TIF) District Advisory Board

6.02.11 Meeting minutes

BOS Meeting room

Present:

John McCormack, Chairman
Al Hicks
Mike Putnam

Excused:

Dave Roedel
Tom Wilson
George Infanti
Katie Chambers

Jim DeStefano, Grubb & Ellis/Coldstream RE
Ryan Bielagus, Andover Development/Eecotech
Bill Parker, Director Community Development/TIF Administrator

J. McCormack called the meeting to order at 7:35AM. As there was no quorum no votes could be taken.

1. Review of Agenda & Minutes

J. McCormack reviewed the agenda and meeting notes from January 5, 2011. J. McCormack expressed thanks to Shirley Wilson for her excellent job with the minutes.

2. Review of Town Voting Results/Update on Andover Agreement Efforts

J. McCormack reviewed the results of the March Town vote which resulted in two failed warrant articles related to the establishment of the expendable trust fund for TIF District infrastructure and the putting of the funds from the old police station sale into that fund. The third warrant article, to authorize the Selectmen to sell the BROX properties for industrial and commercial uses passed handily. The expendable trust fund article failed by a vote of 819 to 1048 and the diversion of funds failed by a vote of 928 to 966. B. Parker added that those results pointed to the fact that the articles weren't fully understood by the voters as the diversion vote lost narrowly, but it couldn't happen unless the trust fund was approved, which lost by a wider margin. J. McCormack further added that the Budget Advisory Committee's negative recommendations were a significant factor.

Discussion ensued, and it was felt that the objective is still there to pursue the warrant article strategy which is not only driven by the Andover agreement conditions but as a solid mechanism to move the TIF District development forward. J. McCormack added kudos to the Planning staff and Janet Langdell of the Planning Board to continue taking the lead in developing the land use changes that are necessary, and despite the vote the various groups are on the right track, but there is still a lot of work to do in a short time. R. Bielagus added that he was not discouraged.

J. McCormack referred to the original TIF Board charge to manage the development of the TIF District and to manage and encourage understanding of the process and challenges for all parties, recognizing that infrastructure, access, and funding are challenges. J. McCormack stated the TIF Board was very supportive of moving forward on the required overlay district, and noted the meeting he attended the previous week with R. Bielagus and his engineers, J. Langdell, B. Parker, S. Marchant that laid out some of the framework for the proposed district.

R. Bielagus then reported that he was in the early stages of his due diligence in the potential development of the old police station site given the constraints the neighboring Superfund cleanup presented relative to easements and monitoring requirements. He is looking at options for development and associated costs, and has just begun the effort of approaching abutting property owners to the TIF district. He noted that his approach is cautious. R. Bielagus noted that future initial funding of infrastructure, particularly additional access of f 101 will be dependent upon the support of residential development.

B. Parker reviewed the timeline that was incorporated in the Andover agreement and J. McCormack asked that the timeline be included in the minutes and that it be kept current to reflect changing conditions.

- A. Hicks asked about potentially expanding the TIF District boundaries. B. Parker noted that is a good discussion to have with the full board, and that it would make sense to expand to capture some of the property tax revenue as other properties not currently in the district develop, and added that the efforts of

the Economic Development Advisory Council and Planning Board are focused on encouraging development in a larger area of west Milford.

J. McCormack asked J. DeStefano what the market for commercial and industrial development appeared to be. J. DeStefano stated that they did not have a crystal ball, and that access into the properties will be the challenge, noting that development in Derry at Exit 4A has been a 25-year project so far. He added that the end-user at the police station site was very much dependent on the OK Tool cleanup. J. DeStefano distributed the latest demographic/market information prepared by Grubb and Ellis, and pointed out that available industrial land in Nashua is non-existent, however vacancy rates for office and industrial users continues to climb. J. DeStefano added that hopefully by the time the BROX/TIF area is ready the economy will have improved so that there is development.

J. McCormack referenced a Wall Street Journal article relative to unemployment levels, and although the Midwest is making the stronger gains New Hampshire has one of the lowest rates nationally. However, people are not taking up new space. J. DeStefano added that what they are seeing is growth in microbusinesses and incubator/start-ups. Grubb and Ellis is up in revenues and there are pockets of progress, Grubb and Ellis is targeting companies currently doing good business and may need opportunities for growth.

J. McCormack then summarized the discussion by stating the TIF Board needs to continue advocating the message to the community that the goal is greater positive tax impact, jobs, and balanced development consistent with Town desires. M. Putnam cautioned that the emphasis will need to be on the greater positive tax impacts from commercial and industrial as opposed to additional residential, to emphasize that as long as the property taxes generated from commercial and industrial exceed the residential, the effort will work.

J. McCormack adjourned the meeting at 8:40 AM. Next meeting date will be determined later.

ATTACHMENT TO MINUTES OF 6.02.11

December 3, 2010 / B. Parker / **REVISED 12.15.11**

ANDOVER AGREEMENTS – Timeline / Steps / Actions

I. 2011 Town Ballot

1. Warrant Article 22: Rescind Article 18 (2001) authorizing BOS sale of “I” properties for industrial uses only and authorize BOS to sell BROX ICI-2 Properties
(rezoned in 2007) for commercial-industrial uses
(DONE, MARCH 2011)
2. Warrant Article 20: Establish “BROX Properties Public Infrastructure Fund (BPPIF)”
(TO BE PLACED AGAIN ON MARCH 2012 WARRANT)
3. Warrant Article 21: Authorization to divert funds from sale of Police Station Property into BPPIF.
(TO BE PLACED AGAIN ON MARCH 2012 WARRANT)

If Warrant Article 20 fails:

- A. Town has option to proceed for 2012 Warrant articles and must decide and give notice by April 15, 2011 **(TOWN OPTIONS TO PROCEED)**
- B. If the Town doesn't decide or fails to give notice, Andover has until July 15, 2011 to exercise option to purchase anyway and work on 2012 Warrant articles.
- C. Andover will only have the right to pursue the steps necessary for 2012 Warrant if Town fails to give notice by April 15, 2010 that it doesn't plan to work on 2012 Warrant articles.

If either A. or B. occurs, then Option is extended to second Tuesday of April 2012 with the following conditions:

Moving forward to 2012 Town Ballot

1. Town, Andover, TIFD Advisory Board, and Planning Board work on creating an Overlay District to regulate intended land use and development for the Police Station, BROX properties, and other possible properties **(EFFORT NEAR COMPLETION, PENDING FINAL REVISIONS BY PLANNING BOARD)**
2. Public hearings are held on Overlay District **(UNDERWAY)**
3. Overlay District to incorporate mixed-use development land uses, incorporate EECOTECH processes, and provisions for expedited permitting.

4. Overlay District to have recommendation for approval by Planning Board prior to placing on the 2012 Warrant **(TENTATIVE SET JANUARY 2012 FOR WARRANT, INCORPORATING #3 ABOVE)**

II. 2012 Town Ballot

- A. Overlay District zoning warrant article is voted on.
- B. If the Overlay District zoning warrant article fails Andover has until second Tuesday of April 2012 to exercise option.
- C. **WARRANTS FOR FUND ESTABLISHMENT AND DIVERSION OF FUNDS PLACED ON TOWN BALLOT.**

Moving forward after 2012 Town Ballot

FORMER POLICE STATION OPTION (purchase price \$500,000):

1. If Overlay District passes, and option is exercised, then Andover shall present a Master Plan for the development based on all applicable regulations, including the new Overlay District, to land use boards by January 1, 2013.
2. If Master Plan is not 'filed' by January 1, 2013 then Andover option expires.
3. Buyer must get non-appealable Master Plan approval before December 31, 2014 or option expires.
4. Upon issuance of all permits and approvals for Buyer's Intended Use to Buyer's Satisfaction Buyer will exercise its option not later than 90 days from the date of a non-appealable master plan approval, or March 31, 2015, whichever is earlier or option will expire.

BROX PROPERTIES OPTION (purchase price \$10,000/usable acre + \$1000/unusable acre. Price per usable acre will increase by \$500/acre/year with a maximum of \$15,000/usable acre. Land to be acquired in minimum 4 acre parcels, with an average of 4 acres purchased per year for ten years after first closing date, however no less than 16 acres shall be purchased within 5 years of first closing date. An additional \$5000/acre shall also be received from Buyer for reinvestment into the Infrastructure Fund.)

1. First lot shall close no later than 60 days from the date of the final approval of a site plan for a lot in excess of 4 acres in accordance with the approved Master Plan, but in no event later than 90 days from the date of the exercise option or May 31, 2015, whichever is sooner.

